

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 991 – HB 844

March 20, 2013

SUMMARY OF ORIGINAL BILL: Requires permanent placards for disabled drivers or passengers to contain a photograph of the disabled driver or passenger. Requires an additional fee to be imposed to offset the cost of issuing the new placards. Exempts persons permanently confined to wheelchairs or disabled veterans from paying the additional fee. Requires new placards with photographs to be issued when an applicant receives, renews, or replaces a permanent placard.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – \$60,000/One-Time/Department of Revenue

Increase State Expenditures – \$60,000/One-Time/Department of Revenue

SUMMARY OF AMENDMENT (004606): Deletes all language after the enacting clause. Requires permanent or temporary placards for disabled drivers or passengers to contain a list of license plate numbers assigned to each vehicle authorized for use with the placard, to be provided by the applicant upon initial application, renewal, or replacement of the placard. Requires such list to be prominently displayed on both sides of the placard. Requires an additional fee to be imposed to offset the cost of issuing the new placards. Exempts persons permanently confined to wheelchairs or disabled veterans from paying the additional fee. Requires new placards with the license plate numbers to be issued when an applicant receives, renews, or replaces a permanent placard.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue – Exceeds \$50,000/One-Time/Department of Revenue

Increase State Expenditures – Exceeds \$50,000/One-Time/Department of Revenue

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Assumptions for the bill as amended:

- It is estimated that approximately 164,000 permanent placards and 100,000 temporary placards are issued each year, for a total of 264,000 per year. This number is assumed to remain constant into perpetuity.
- Twenty percent of the total number of issued placards, or 52,800 ($264,000 \times 20.0\%$), will be placards issued for persons permanently confined to wheelchairs or disabled veterans. The additional fee required by this bill to offset the cost of issuing the new placards shall not be assessed against such persons. The fee shall be imposed against 211,200 ($264,000 - 52,800$) applicants.
- The one-time increase in state expenditures for software upgrades to accommodate the new requirements is estimated to exceed \$50,000.
- DOR will impose a one-time fee to offset one-time costs associated with issuing new placards. As a result, the one-time increase in state revenue to DOR is estimated to exceed \$50,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', is written over a light blue horizontal line.

Lucian D. Geise, Executive Director

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